ESTTA Tracking number:

ESTTA323703

Filing date:

12/22/2009

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91184456
Party	Plaintiff L'Oreal USA, Inc.
Correspondence Address	Robert L. Sherman Paul, Hastings, Janofsky & Walker LLP 75 East 55th Street New York, NY 10022 UNITED STATES rls@paulhastings.com
Submission	Other Motions/Papers
Filer's Name	Robert L. Sherman
Filer's e-mail	rls@paulhastings.com
Signature	/rls/
Date	12/22/2009
Attachments	L'OREAL Memo in Opposition to Motion to Vacate.pdf ( 19 pages )(1588511 bytes )

# IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

In the Matter of Application Serial No. 76/596,736 Published in the Official Gazette on May 6, 2008 Mark: L'OREAL PARIS

L'ORÉAL S.A. and L'ORÉAL USA, INC.,

Opposer,

v.

ROBERT VICTOR MARCON,

Applicant.

Opposition No. 91184456

L'ORÉAL'S MEMORANDUM OF LAW
IN OPPOSITION TO APPLICANT'S MOTION TO VACATE DEFAULT JUDGMENT

# **TABLE OF CONTENTS**

	Page
TABLE OF AUTHORITIES	ii
I. PRELIMINARY STATEMENT	1
II. FACTUAL BACKGROUND	2
III. ARGUMENT	4
A. Applicant's Failure to Answer Was Willful or Grossly Negligent	6
B. Applicant Has Not Established A Meritorious Defense	8
C. Under the Circumstances of This Proceeding, Delay Causes Prejudice to Op	poser12
IV. CONCLUSION	14

# **TABLE OF AUTHORITIES**

CASES	Page(s)
Advanced Commc'n Design, Inc. v. Premier Retail Networks, Inc., 46 F. App'x 964 (Fed. Cir. 2002)	9
Boston Red Sox Baseball Club, L.P. v. Sherman, 88 U.S.P.Q.2d 1581 (T.T.A.B. 2008)	10
Commodore Elecs. Ltd. v. CBM Kabushiki Kaisha, 26 U.S.P.Q.2d 1503 (T.T.A.B. 1993)	10
DeLorme Publ'g Co. v. Eartha's Inc., 60 U.S.P.Q.2d 1222 (T.T.A.B. 2000)	6, 8
El Encanto, Inc. v. SOS Arana Alimentacion S.A., Opposition No. 116557, 2001 WL 531176 (T.T.A.B. May 18, 2001)	9
Intel Corp. v. Emeny, Opposition No. 91123312, 2007 WL 1520948 (T.T.A.B. May 15, 2007)	10
L.C. Licensing Inc. v. Berman, 86 U.S.P.Q.2d 1883 (T.T.A.B. 2008)	10
Lane Ltd. v. Jackson Int'l Trading Co., 33 U.S.P.Q.2d 1351 (T.T.A.B. 1994)	10
S. Indus., Inc. v. Lamb-Weston Inc., 45 U.S.P.Q.2d 1293 (T.T.A.B. 1997)	6
OTHER AUTHORITIES	
37 C.F.R. § 2.106(b)(1)	9
37 C.F.R. § 2.116(a)	4
37 C.F.R. § 2.119(a)	1
Fed. R. Civ. P. 8	9
Fed. R. Civ. P. 55(c)	5
Fed. R. Civ. P. 60(b)	5
TBMP § 113.02	4
TBMP § 113.06	4

TBMP § 312.01	. 5
TBMP § 312.03	. 4
Trademark Rule 2.106(a)	. 4

L'Oréal S.A. and L'Oréal USA, Inc. (collectively, "L'Oréal" or "Opposer") submit this memorandum in opposition to what has been labeled "Communication G", submitted to the Trademark Trial and Appeal Board (the "Board") by Robert Victor Marcon ("Applicant"), and designated by the Board as a motion to vacate the default judgment that was entered as a result of Applicant's failure to answer L'Oréal's Amended Notice of Opposition.

L'Oréal has never been served with Applicant's "Communication G", as required by Trademark Trial and Appeal Board Manual of Procedure ("TBMP") §§ 113.01, 113.02, and 37 C.F.R. § 2.119(a) ("Every paper filed in the Patent and Trademark Office in inter partes cases, including notice of appeal, must be served upon the other parties except the notice of interference, the notification of opposition, the petition for cancellation, and the notice of a concurrent use proceeding, which are mailed by the Patent and Trademark Office. Proof of such service must be made before the paper will be considered by the Office") (internal citations omitted). On December 7, 2009, L'Oréal fortuitously became aware of the filing only as a result of its own periodic review of the docket.

#### I. PRELIMINARY STATEMENT

Applicant is an experienced participant in Trademark Office proceedings. He has waged a campaign against the U.S. trademark system by attempting to register famous marks owned by others, but for disparate goods. As this proceeding demonstrates, any of those owners that attempts to defend its rights can expect to be met with an expensive and bad faith proceeding, made even more expensive by Applicant's selectively following or not following the rules as it suits him. Applicant's abuse of the intent-to-use system, and the corresponding burden on trademark owners and the Trademark Office, is precisely what Congress intended to avoid by requiring the good faith and bona fide intent to use that Applicant clearly lacks.

L'Oréal does not base its opposition to what has been designated a motion to vacate on the deficiencies of Applicant's "Communication G," which apparently does little more than state that the default judgment was entered in error because, Applicant claims, "Communication F" -Applicant's response to the Board's notice of default – was timely filed. Rather, although L'Oréal notes that Communication G does not meet the procedural or substantive requirements of a motion to vacate, L'Oréal opposes the vacatur of judgment because, even if timely received, Applicant's Communication F failed to show good cause why default should not be entered. In substance, Communication F would have the Board excuse Applicant's utter lack of diligence when he failed to read and/or comply with the plain language of the Board's order granting L'Oréal's motion to amend, and would have the Board accept as a defense that Applicant thinks that U.S. trademark law ought to be different from what it is. Applicant has still not filed an answer to the Amended Notice of Opposition. His Communication F tacitly admits that he cannot make the showing needed to prove the statutorily-required bona fide intent to use his mark in commerce, without which his application is invalid as a matter of law. Despite any reluctance that the Board may have to decide cases by default, where an Applicant's showing of good cause sets forth neither an excusable reason for failure to answer nor a meritorious defense, entry of a default judgment is appropriate. The motion to vacate is thus futile and should be denied.

#### II. FACTUAL BACKGROUND

Following discovery, during which Applicant failed to produce any documentation or other objective evidence in response to discovery requests regarding his bona fide intent to use the subject mark, on June 29, 2009, L'Oréal filed a motion for leave to amend its Notice of Opposition to state an additional claim regarding Applicant's lack of bona fide intent to use the

<sup>&</sup>lt;sup>1</sup> L'Oréal recognizes that Communication G was designated a Motion to Vacate Judgment by the Board, not by Applicant.

L'OREAL PARIS mark. L'Oréal included its proposed Amended Notice of Opposition with that motion. Applicant did not oppose the motion, which the interlocutory attorney granted as both conceded and well-taken. The July 28, 2009 order granting the motion stated that the Amended Notice of Opposition is accepted as the operative complaint, and further stated that "[a]pplicant is allowed until thirty days from the mailing date set forth in this order to file an answer to the amended notice of opposition."

Applicant has never filed an answer to the Amended Notice of Opposition. On September 30, 2009, the Board issued a notice of default, clearly stating that Applicant had "until thirty days from the mailing date of this order to show cause why judgment by default should not be entered against applicant in accordance with Fed. R. Civ. P. 55(b)." On November 10, 2009, an order issued, stating that "[t]he record shows no response" to the notice of default, entering judgment by default against Applicant, sustaining the opposition, and refusing registration to Applicant. On December 7, 2009, Applicant's Communication G was entered into the Trademark Trial and Appeal Board docket and designated as a motion to vacate judgment. As noted earlier, L'Oréal has never been served with that document.

Communication G claims that the default judgment was entered in error because Applicant timely responded to the notice of default by filing Communication F. Applicant includes with Communication G a copy of Communication F and accompanying matter. L'Oréal lacks information or knowledge regarding whether Communication F was timely filed with the Board and notes that Communication F contains a "Certificate of Mailing" rather than a "Certificate of Service," indicating the date and manner in which Communication F was served on L'Oréal. It is not evident whether the Board would consider a "Certificate of Mailing" to be adequate as proof of

service that must be submitted before the Board will consider the filing, under TBMP § 113.02.<sup>2</sup> L'Oréal acknowledges that it received Communication F by U.S. mail sometime during the week of November 2, 2009. To the extent that the motion to vacate relies on Communication G's assertion that default was improperly entered based on the Board's erroneous belief that Applicant had not responded at all, L'Oréal does not know the reasons behind the Board's judgment and lacks sufficient information on which to respond. However, to the extent that Communication G asserts that default judgment should not have been entered due to the allegedly timely filing of Communication F, L'Oréal submits that Communication F utterly fails to show good cause why default should not be entered, and therefore does not suffice to set aside the notice of default. Accordingly, default judgment is proper, regardless of whether or not Communication F was timely filed with the Board.

#### III. ARGUMENT

Under Trademark Rule 2.106(a), when an applicant fails to file an answer within the time set by the Board, "the opposition may be decided as in the case of default." Default judgments in Opposition proceedings are governed by Federal Rules of Civil Procedure 55 and 60, as made applicable by 37 C.F.R. § 2.116(a). Although the Board applies a slightly different standard when determining whether to vacate a default judgment from the one it applies when setting aside a notice of default, TBMP § 312.03, the factors to be considered by the Board are very similar in both circumstances: (1) whether the delay or default was a result of Applicant's willful conduct or gross neglect, (2) whether the Applicant has a meritorious defense to the action, and (3) whether Opposer will be prejudiced by the delay. See TBMP §§ 312.02 ("Good cause why default judgment should not

The TBMP makes clear that "[a] certificate of service is not the equivalent of a certificate of mailing or transmission for any purpose," TBMP § 113.06 (emphasis in original), but is not clear whether the form of a Certificate of Mailing suffices to show proof of service.

be entered against a defendant for failure to file a timely answer to the complaint, is usually found when the defendant shows that (1) the delay in filing an answer was not the result of willful conduct or gross neglect on the part of the defendant, (2) the plaintiff will not be substantially prejudiced by the delay, and (3) the defendant has a meritorious defense to the action") and 312.03 ("Among the factors to be considered in determining a motion to vacate a default judgment for failure to answer the complaint are (1) whether the plaintiff will be prejudiced, (2) whether the default was willful, and (3) whether the defendant has a meritorious defense to the action"). Without conceding whether the Board should apply a stricter standard under Fed. R. Civ. P. 60(b) to a motion to vacate in this instance, Opposer submits that Applicant's Communication F failed to meet even the liberal standard for a showing of good cause required by Fed. R. Civ. P. 55(c). If anything, Communication F establishes that Applicant's failure to file the answer was due to Applicant's willful conduct or gross negligence in ignoring the plain language of the Board's order, and that Applicant has no meritorious defense to the Amended Notice of Opposition. Applicant cannot escape the utter void of documentation that was established during discovery – now closed – regarding his required bona fide intent to use.

Board procedure states that "[i]f the defendant fails to file a response to the notice, or files a response that does not show good cause, default judgment may be entered against it." TBMP § 312.01 (emphasis added). Therefore, even if the Board takes Communication G at face value, and finds

Opposer notes that Communication G does not meet the procedural or substantive requirements of Fed. R. Civ. P. 60(b) or the Board's rules governing the making of motions (including, *inter alia*, the requirement to serve the motion on Opposer). However, Opposer recognizes that it was the Board – not Applicant – that designated Communication G as a motion to vacate. In the event that the Board gives Applicant an opportunity to file a proper motion to vacate, Opposer hereby reserves its right to file a response thereto, and nothing herein shall operate as a waiver.

that Communication F was timely filed, the entry of a default judgment should be sustained based on Communications F's failure to show good cause.

## A. Applicant's Failure to Answer Was Willful or Grossly Negligent

The most significant element in determining whether a notice of default or entry of default judgment should be set aside is whether the delay or default was due to Applicant's culpable conduct, i.e., within its control. See, e.g., S. Indus., Inc. v. Lamb-Weston Inc., 45 U.S.P.Q.2d 1293, 1296 (T.T.A.B. 1997) (in applying the test for "excusable neglect" under Fed. R. Civ. P. 60(b), which is very similar to the "good cause" analysis under Fed. R. Civ. P. 55(c), the Board stated that "several courts have stated that ... the reason for the delay and whether it was within the reasonable control of the movant might be considered the most important factor in a particular case") (citing Pioneer Inv. Servs. Co. v. Brunswick Assocs. Ltd. P'ship, 507 U.S. 380 (1993), and Pumpkin, Ltd. v. The Seed Corps, 42 U.S.P.Q.2d 1582 (T.T.A.B. 1997)). Applicant's willful conduct or gross negligence in failing to file a timely answer is itself sufficient to support an entry of judgment by default, even if Applicant had a meritorious defense and the delay caused no prejudice to Opposer. See DeLorme Publ'g Co. v. Eartha's Inc., 60 U.S.P.Q.2d 1222, 1224 (T.T.A.B. 2000) ("Although opposer has failed to establish that applicant's delay in filing an answer caused substantial prejudice to opposer or that applicant is without a meritorious defense to the opposition, we find that the delay here was the result of applicant's willful conduct and gross neglect"). Even under the liberal standards that govern defaults, and even in light of the leniency accorded pro se litigants, a failure to read and follow a clear order of the Board constitutes a willful or grossly negligent disregard for the proper conduct of the proceeding, and was completely within the control and discretion of Applicant.

Being generous, Applicant's Communication F contains a single sentence purporting to defend Applicant's failure to file an answer to the Amended Notice of Opposition. Applicant

writes: "In defence of the Applicant the Applicant would like to state that this oversight was unintentional in that the Applicant, being unfamiliar with oppositional procedures, mistakenly believed that said answer to the Opposer's amended notice of opposition should be submitted during the Defendant's Pretrial Disclosures." Applicant's Communication F, p. 3. How convenient. Applicant provides no explanation for how or why he held that mistaken belief. In particular, Applicant's "explanation" fails to indicate how Applicant held that mistaken belief when the Board's July 28, 2009 order stated in no uncertain terms that "Applicant is allowed until thirty days from the mailing date set forth in this order to file an answer to the amended notice of opposition." Applicant evidently had no difficulty understanding the same instructions when set forth in the Board's September 30, 2009 order entering the notice of default (stating, "Applicant is allowed until thirty days from the mailing date of this order to show cause why judgment by default should not be entered against applicant in accordance with Fed. R. Civ. p. 55(b)"). Applicant should not be permitted to pick and choose when he feels like following a Board order. Applicant acted willfully or with gross negligence. To be clear, Applicant has not proffered any reasonable explanation - or, indeed, any explanation whatsoever - for why he believed that his answer should be submitted during Pretrial Disclosures, contrary to the plain instructions in the order. Parties to an action are expected to familiarize themselves with and adhere to the rules that govern the proceeding. Even pro se litigants are expected to exercise, at very least, the minimal diligence needed to read and comply with the Board's orders. Failure to do so, especially selectively, is not mere negligence. It is willful or grossly negligent conduct that ought not be countenanced.

Faced with similar circumstances, the Board has held that an applicant's failure to follow the clear instructions of a Board order did not constitute "good cause" to set aside a notice of default. In *DeLorme Publishing v. Eartha's*, the applicant tried to excuse its failure to file a timely answer or to request an extension by stating that it viewed the notice of opposition as incomplete.

The Board expressed incredulity at the applicant's failure to follow the instructions of the order setting forth the time to answer: "The Board quite frankly shares opposer's puzzlement at applicant's statement. The Board's order establishing the time for applicant's answer was unambiguous. The ... order stated that '[a]pplicant's answer is due forty days after the mailing date hereof.' Other than the [claim that it viewed the notice of opposition as incomplete], applicant offers no reason why it did not file an appropriate response or a timely motion to extend this period." DeLorme Publ'g, 60 U.S.P.Q.2d at 1223. Lending some clarity to the meaning of the term "willful" in the context of a showing of good cause, the Board in DeLorme Publishing stated that "[w]hile applicant may not have intended that the current proceeding be resolved against it by default, the facts here clearly indicate that applicant consciously chose to ignore the notice of opposition it received along with the Board's institution letter and trial order." Id. at 1224. DeLorme Publishing is exactly on point and militates against a finding of good cause in the case at bar.

As the Board stated in *DeLorme Publshing*, whether Applicant intended *to default* is not the question. Applicant intended *not to answer* within the time prescribed. Applicant either consciously chose to ignore the Board's order setting forth the time to file an answer to the Amended Notice of Opposition, or was grossly negligent in ignoring the order. Under either scenario, Applicant's willful or grossly negligence conduct does not establish good cause for the failure to answer, and is itself sufficient reason to sustain the entry of default judgment.

### B. Applicant Has Not Established A Meritorious Defense

In addition to the fact that the Applicant's failure to file a timely answer was the result of Applicant's willful conduct or gross neglect, Applicant has not set forth a meritorious defense to the action. Applicant indicates that the bulk of Communication F is his "response" to the Amended Notice of Opposition. Opposer notes, however, that Communication F clearly is not

a responsive pleading in accordance with the Trademark Rules and the Federal Rules of Civil Procedure (including, *inter alia*, TBMP §§ 311.01 and 311.02, 37 C.F.R. § 2.106(b)(1), and Fed. R. Civ. P. 8). Rather, the "response" is in the form of an argument, perhaps constituting Applicant's effort to meet the element of showing a meritorious defense to the action, in order to support a showing of good cause to set aside a notice of default.<sup>4</sup>

To show a meritorious defense, the party in default does not need to establish that there is a likelihood that it will succeed at trial, but it does need to show that the evidence submitted – if proven – would constitute a complete defense. See, e.g., El Encanto, Inc. v. SOS Arana Alimentacion S.A., Opposition No. 116557, 2001 WL 531176, at \*2 (T.T.A.B. May 18, 2001) (to assert a meritorious defense under Rule 60(b), "the defaulting [party] need not establish that there is a likelihood that it will carry the day, but whether the evidence submitted, if proven at trial, would constitute a complete defense") (internal quotations omitted); Advanced Commo'n Design, Inc. v. Premier Retail Networks, Inc., 46 F. App'x 964, 973 (Fed. Cir. 2002) (stating in a patent infringement case that "in the Rule 55(c) context ... a meritorious defense means that the evidence or argument proffered by the defaulting party could reasonably lead to a finding in the defaulting party's favor") (internal citations omitted). Applicant's effort to set forth a defense to the new allegations in the Amended Notice of Opposition fails entirely.

The Amended Notice of Opposition alleges that Applicant's application for the L'OREAL PARIS mark is invalid as a matter of law, because at the time of filing, Applicant lacked the statutorily-required bona fide intent to use. The new factual allegations in the Amended Notice of Opposition are included because, if true, they establish Opposer's claim. Specifically, as argued

Opposer notes that under any other reading, Applicant has failed to meet that element, and the motion should be denied accordingly. Even under that reading it fails.

and supported in detail in Opposer's motion for leave to amend (as well as in prior correspondence with Applicant, copies of which were submitted with that motion), U.S. trademark law unambiguously requires an applicant to have a bona fide intent to use the mark that can be measured by objective facts rather than shown by "applicant's mere statement of subjective intention, without more." Lane Ltd. v. Jackson Int'l Trading Co., 33 U.S.P.Q.2d 1351, 1355 (T.T.A.B. 1994). Opposer's motion for leave to amend set forth ample authority establishing that the lack of documentary evidence can prove a lack of bona fide intent. See Commodore Elecs. Ltd. v. CBM Kabushiki Kaisha, 26 U.S.P.Q.2d 1503, 1507 (T.T.A.B. 1993) ("the absence of any documentary evidence on the part of the applicant ... is sufficient to prove that the applicant lacks a bona fide intention to use its mark in commerce as required by Section 1(b)"); Intel Corp. v. Emeny, Opposition No. 91123312, 2007 WL 1520948, at \*7 (T.T.A.B. May 15, 2007) (no bona fide intent to use where applicant failed to produce evidence or information regarding marketing plans, business plans, or any other objective substantiating evidence); Boston Red Sox Baseball Club, L.P. v. Sherman, 88 U.S.P.Q.2d 1581, 1587 (T.T.A.B. 2008) (no bona fide intent to use where applicant failed to produce any documentary evidence regarding trademark searches, specimens, labels, or advertising plans); L.C. Licensing Inc. v. Berman, 86 U.S.P.Q.2d 1883, 1892 (T.T.A.B. 2008) (no bona fide intent to use where discovery responses failed to produce any facts that "explain or outweigh the failure of applicant, when he filed the application, to have documents which support his claimed intent to use"). Opposer's motion for leave to amend also set forth authority establishing that a lack of industry-relevant experience indicates an applicant's lack of bona fide intent, see Boston Red Sox, 88 U.S.P.Q.2d at 1587, as does filing an excessive number of intent to use applications, see Lane Ltd, 33 U.S.P.Q.2d at 1355-56. Discovery has been completed. Applicant could not produce a single scrap of paper evidencing an objective good faith intent to use the mark. He is now precluded from doing so.

Applicant's Communication F in no way establishes that he has *any* cognizable defense or *any* evidence to counter the claim that that he lacked a bona fide intent to use the mark, as required by law. Rather, his "response" consists of a dissertation against trademark law as it exists in the United States. For example, Applicant states that he "disagrees with the Opposer's view ... that any applicant applying for a trademark lacks the required 'bona fide intent' mandated by the law if they have not formed nor initiated the normal plans, preparations, or other actions associated with the commercial capitalization of the applied for trademark." *Applicant's Communication F, pp. 4-5*. However, the view described is not merely Opposer's view; it is the view of the United States Congress, the courts of the United States, and the Board, as demonstrated repeatedly by Opposer but ignored entirely by Applicant.<sup>5</sup>

Applicant's response asserts his own concept of the "fundamental idea of what proposed trademarks actually are," *Applicant's Communication F, p. 5,* but he provides no legal basis for his position. Rather, he asserts philosophical notions about the purpose of trademarks and trademark applications, which have no support in legislative language or judicial precedent, and in fact are at odds with the laws passed by Congress and interpreted by the courts and the Board. Applicant does not assert as a defense that he had, at the time of filling, taken steps towards use of the mark; that he has objective evidence of his bona fide intent to use the mark at that time; that he has knowledge, skill, or experience required to make use of the mark; or that he has a legitimate countervailing explanation for his filling of an excessive number of intent to use applications for disparate goods under well-known or famous marks. Applicant does not assert as a defense that the

Applicant also asserts his view that owners of well-known and famous marks should not be able to prevent an applicant "in a geographic or market field remote from the owner's field from using the same or a similar mark uncompetitively." *Applicant's "Communication F," pp. 6-7.* Again, rather than provide a cognizable defense, Applicant refuses to recognize the indisputable existence of a claim for federal trademark dilution, which is included in Opposer's Notice.

authority cited by Opposer has been overturned or is inapplicable. In fact, Applicant does not assert a defense that is legally cognizable in any respect. Instead, Applicant argues that the requirement set forth by Congress, the courts, and the Board regarding a showing of bona fide intent to use – i.e., the law – should not be what it is. Applicant's arguments in Communication F do not constitute a meritorious defense to the action, under even the most lenient interpretation.

## C. Under the Circumstances of This Proceeding, Delay Causes Prejudice to Opposer

Applicant has already failed to meet two of the three elements for a showing of good cause. The motion to vacate should therefore be denied as futile, as Applicant's willful or grossly negligent conduct and failure to present a meritorious defense each, on its own, suffices to support the entry of a default judgment. Applicant has not attempted to address the final element of a showing of good cause: Applicant has not shown that Opposer will not be prejudiced by the delay. In light of the other two factors weighing heavily against a finding of good cause, the prejudice to Opposer on its own does not change the outcome. Nonetheless, Opposer believes that this case presents an unusual circumstance where vacatur of a default judgment would cause prejudice to Opposer.

Opposer recognizes that the type of prejudice typically considered by the Board in this context involves prejudice beyond the ordinary costs and burdens of proceeding to trial, and focuses instead on prejudice such as loss of evidence or unavailability of witnesses. However, Opposer respectfully submits that where an applicant is trying to make a philosophical point other than on the merits of an application's registrability under existing law, and willingly refuses to exercise diligence in complying with Board procedure, refuses to acknowledge and address the law as it exists rather than as he wishes it were, and persists in repeating the same arguments while simply ignoring the presentation of extensive authority to the contrary, it imposes an unreasonable

cost and burden on an opposer to continue a proceeding in which it already has been established that the applicant has no meritorious defense.

Throughout this proceeding, Opposer has incurred excessive costs due to Applicant's insistence on unmeritorious and unsubstantiated claims, including invalid objections to discovery requests and fanciful assertions regarding the purpose and requirements of trademark law. Moreover, because Applicant does not follow standard procedure, Opposer has incurred excessive costs, for example due to the need to make filings to ensure that responses to incorrect filings were not necessary (as with Applicant's prematurely filed Notice of Reliance) and the need to write extensive deficiency letters setting out basic concepts of trademark law and discovery requirements. The delay itself has caused excess cost to Opposer, due to the perceived (and actual) need to check the status of the proceeding even after terminated, the need to attempt to decipher the nature of the "response" portion of Communication F, the need to contact the interlocutory attorney to determine the nature of Applicant's Communication G, and the need to respond to assertions and arguments that have no basis in – and actively ignore – the law.

This Applicant has taken advantage of the intent-to-use system to file applications for numerous famous marks, perhaps to make a point about what trademark law should be, or perhaps to free-ride on or obtain other financial advantage from the mark owners, or perhaps for reasons that are fathomable only to him. The cost to this Opposer has been enormous. The aggregate cost to the Trademark Office and other trademark owners is even greater. Applicant has no meritorious defense to the new allegations set forth in the Amended Notice of Opposition, and no valid excuse for his failure to comply with the Board order setting forth the time to file an

Opposer again notes that if it did not take the time to check the docket regularly, it would not have been aware of Communication G and would have continued to assume that the proceeding had been terminated.

answer. For those two reasons alone, Applicant has failed to show good cause why default

judgment should not be entered.

To the extent the Board weighs the equities and burdens to the parties, as it should,

and the additional element of prejudice to Opposer, Opposer urges the Board to consider that this

Applicant is not the stereotype of a pro se litigant who has gotten tripped up in procedural

technicalities. Rather, Applicant is willingly inattentive to procedural and substantive law in a

manner that has imposed unreasonable cost and burden on Opposer thus far, with all indications

that such conduct will continue if the default judgment is vacated. Considering that Applicant does

not have any meritorious defense, Opposer respectfully submits that a decision to set aside the

default and allow an Answer would be inequitable.

IV. CONCLUSION

Because Applicant's Communication F fails to show good cause why default

judgment should not be entered, Applicant's motion to vacate default judgment is futile and should

be denied.

Dated:

December 22, 2009

PAUL, HASTINGS, JANOFSKY

& WALKER LLP

Robert L. Shern

75 E. 55th Street

New York, New York 10022

212-318-6000

Attorneys for Opposer

## CERTIFICATE OF SERVICE

I hereby certify that the foregoing L'OREAL'S MEMORANDUM IN

OPPOSITION TO APPLICANT'S MOTION TO VACATE JUDGMENT was served this 22nd day of December, 2009, by delivering a true and correct copy of same by UPS delivery, postage prepaid to:

Robert Victor Marcon 3471 Sinnicks Avenue Niagara Falls, Ontario L2J 2G6 CANADA

Rosetta Kromer